

AMENDED IN ASSEMBLY JUNE 4, 2012

AMENDED IN ASSEMBLY JUNE 28, 2011

AMENDED IN SENATE APRIL 26, 2011

AMENDED IN SENATE MARCH 21, 2011

**SENATE BILL**

**No. 736**

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**Introduced by Senator Cannella**

February 18, 2011

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An act to ~~amend~~ add Section ~~12440.1~~ of 2006.2 to the Government Streets and Highways Code, relating to the California State University county roads.

LEGISLATIVE COUNSEL'S DIGEST

SB 736, as amended, Cannella. ~~California State University: trustees.~~  
*County road commissioner: Merced County.*

*Existing law provides for the appointment of a road commissioner in each county by the board of supervisors, with specified powers and duties relating to county roads. Existing law provides for exceptions to this requirement in cases in which the duties of the road commissioner have been transferred by the board of supervisors to the county director of transportation or another authorized person. Existing law, in the case of Orange County, authorizes the board of supervisors of that county to transfer the duties of the county road commissioner to a county environmental management agency.*

*This bill would authorize the board of supervisors of Merced County to transfer the duties of the county road commissioner to the county's department of public works, as specified.*

*This bill would make legislative findings and declarations as to the necessity of a special statute for Merced County.*

Existing law authorizes the Trustees of the California State University to draw from funds appropriated to the university, for use as a revolving fund, amounts necessary to make payments of obligations of the university directly to vendors. Existing law requires the Trustees of the California State University to contract with one or more public accounting firms to conduct a systemwide and individual campus annual financial statement audit.

This bill would instead require the Trustees of the California State University to contract with one or more public accounting firms to conduct a systemwide annual financial statement audit in accordance with generally accepted accounting principles and subject to specified criteria, as well as other required compliance audits. This bill would delete the requirement that at least 10 individual campus audits be conducted on a rotating basis, and each campus be audited at least once every 2 years.

Vote: majority. Appropriation: no. Fiscal committee: yes-no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     *SECTION 1. Section 2006.2 is added to the Streets and*
- 2     *Highways Code, to read:*
- 3     *2006.2. Notwithstanding any other provision of law, the board*
- 4     *of Supervisors of Merced County may abolish the office of road*
- 5     *commissioner if the board transfers all duties of the road*
- 6     *commissioner to the county's department of public works. The*
- 7     *director of that department shall not be required to have any*
- 8     *special permit, registration, or license. Any civil engineering*
- 9     *functions that are required to be performed by the road*
- 10    *commissioner shall be performed by a registered civil engineer*
- 11    *acting under the authority of the director of that department.*
- 12    *SEC. 2. The Legislature finds and declares that a special law*
- 13    *is necessary and that a general law cannot be made applicable*
- 14    *within the meaning of Section 16 of Article IV of the California*
- 15    *Constitution because of the particular needs of Merced County.*
- 16    ~~SECTION 1. Section 12440.1 of the Government Code is~~
- 17    ~~amended to read:~~
- 18    ~~12440.1. (a) The trustees, in conjunction with the Controller,~~
- 19    ~~shall implement a process that allows any campus or other unit of~~
- 20    ~~the university to make payments of obligations of the university~~

1 from its revolving fund directly to all of its vendors.  
2 Notwithstanding Article 5 (commencing with Section 16400) of  
3 Chapter 2 of Part 2 of Division 4 of Title 2, or any other law, the  
4 trustees may draw from funds appropriated to the university, for  
5 use as a revolving fund, amounts necessary to make payments of  
6 obligations of the university directly to vendors. In any fiscal year,  
7 the trustees shall obtain the approval of the Director of Finance to  
8 draw amounts in excess of 10 percent of the total appropriation to  
9 the university for that fiscal year for use as a revolving fund.

10 (b) Notwithstanding Sections 925.6, 12410, and 16403, or any  
11 other law, the trustees shall maintain payment records for three  
12 years and make those records available to the Controller for  
13 postaudit review, as needed.

14 (c) (1) Notwithstanding Section 8546.4 or any other law, the  
15 trustees shall contract with one or more public accounting firms  
16 to conduct a systemwide annual financial statement audit in  
17 accordance with generally accepted accounting principles (GAAP),  
18 as well as other required compliance audits without obtaining the  
19 approval of any other state officer or entity.

20 (2) Each campus' statement of net assets; statement of revenues;  
21 expenses, and changes in net assets; and statement of cashflows  
22 shall be included as an addendum to the annual systemwide audit.  
23 The statement of net assets shall include assets, liabilities, and net  
24 assets. Summary information on transactions with auxiliary  
25 organizations for each campus shall also be included in the  
26 addendum. These statements shall be subjected to the auditing  
27 procedures applied in the audit of the systemwide financial  
28 statements. Any additional information necessary shall be publicly  
29 provided upon request.

30 (d) The internal and independent financial statement audits of  
31 the trustees shall test compliance with procurement procedures  
32 and the integrity of the payments made. The results of these audits  
33 shall be included in the biennial report required by Section 13405.

34 (e) As used in this section:

35 (1) "Trustees" means the Trustees of the California State  
36 University.

37 (2) "University" means the California State University.